

SPRINGDALE AIRPORT COMMISSION

MINUTES

June 17, 2021

The regular meeting of the Springdale Airport Commission was on Thursday, June 17, 2021 in the City Council Chambers at Springdale City Hall.

1. Chairman Neil Johnson called the meeting to order at 1:31 p.m.

2. Roll call was answered by: Neil Johnson
 Andrew Barker via Zoom
 Joel Gardner
 Steve Smith
 Bill Schoonover
 Micah Thomason
 Greg Collier was not in attendance

City staff present: Wyman Morgan, Administration & Financial Services Dir.
 James Smith and Laura Meyers
 Beth Parnell, Airport Commission Secretary
 Ernest Cate was not in attendance

3. **APPROVAL OF MINUTES** – Chairman Johnson asked for a motion to approve the minutes from the May 29, 2021 meeting minutes. **A motion was made to approve the minutes as presented by Commissioner Thomason. Commissioner Schoonover seconded. All approved.**

Commissioner Smith announced there would be a presentation by Commissioner Schoonover. Commissioner Schoonover made a presentation to Rose Lawrence in appreciation for her years as Airport Commission Secretary. Rose said she has worked with the Airport Commission since 1997 and thanked the Commissioners for their support and friendship.

4. **COMMENTS FROM AUDIENCE**

Gary O'Neal, is a flight instructor at the Airport. He does not charge for lessons. People are asking him about Northwest Arkansas Flying Club. He wanted to know if they could advertise inside the terminal but was told they had to have an office there. The club started two years ago at the Lodge in Fayetteville. They own three airplanes at Springdale Airport. James Smith explained if he doesn't have a Business License, he can't operate a business at the airport. And you can't put up a business sign without a business license. Chairman Johnson explained the grievance would have to be taken up with the Airport Managers, not the Commission and he would need to adhere to James and Laura's instructions.

Commissioner Thomason asked what the steps were Mr. O'Neal would need to take to be able to advertise. James explained he would need to go to the City Clerk's office and purchase a business license. Commissioner Thomason explained there is a fee of \$25, and for each employee there is an additional \$2.50. If you have two employees it would be less than \$30 to get a license which would be posted in your business. When Mr. O'Neal gets the license, then we could discuss where he could advertise and how that would work. James indicated, yes, that is what he needed to do. If he gets the license, then he could put flyers up. The Building Dept. would have to approve where he could put up his sign. There are rules and

codes to be followed. If space was leased within the terminal, there would be a space to be listed on the marquee. Commissioner Johnson pointed out those are the things he would have to do to qualify; and James and Laura are over the facility and what they tell him is final. If there is a question, they would bring it to the Commission. Laura pointed out that you have to have a business license to operate any business in any City.

5. **UPDATE FROM SUMMIT AVIATION – Daniel Hughes, Mgr.**

Daniel congratulated Rose on her retirement. May was a very good month. Jet sales were up 28% over April. Summit sold a total of 40,690 gallons of Jet-A fuel. Avgas increased by 4% to 6,900 gallons. There is a very consistent market. More people are flying and the good weather in May was very helpful. The charter business is up and increases with U of A games, corporate travel and vacations. Summit is promoting discounts for the restaurant for one-half off entrees for the pilot and passengers, and free Ground Power Units (GPU) on game days.

6. **COMMENTS FROM CITY ATTORNEY ERNEST CATE**

City Attorney Cate was not present for this meeting.

7. **AIRPORT OPERATIONS REPORT (hangar rent, maintenance, etc.) by Laura Meyers, Airport Supt, James Smith, Mgr.**

Laura says the restaurant was getting busier every day. Tuesday through Saturday is working out well and the Monday's off doesn't seem to be a problem. Chairman Johnson wondered if we were getting the word out about the restaurant and if we could be of any help. Laura says Ferrell has a banner outside the terminal so those flying in can see it and that seems to be helping. James and Laura are helping put the word out because the food is good. James sent Ferrell to the Building Department to get a permit for a sign to put on the corner at Highways 265 and 412 which might help.

They do not have any projects to discuss at this time, just the daily maintenance. It has been very busy which is nice to see. Chairman Johnson asked who oversaw the localizer tower repairs. Laura said the FAA oversaw that. They took it on themselves and they (FAA) will maintain it for the next three or four years and will refresh the paint on it. The Airport has had to paint it in the past. James said there was rotten wood that needed to be replaced, so FAA hired someone to replace it and they have contracted out for the maintenance over the next few years. The little building also belongs to the FAA. We power wash it to keep it looking nice. Commissioner Schoonover inquired about paint issues on hangars that have not been resolved. Laura said the painter is trying to get back on it. Hangar Six has a door that had some issues that the painter will get back to repaint sometime this month.

8. **AIRPORT ACTIVITIES REPORT (operations, fuel sales revenues & expenditures) by Wyman Morgan, Director of Admin. & Financial Services.**

There is enough cash on hand to match the funds for the Grant. The Grant letters should be coming in any time. They are about through with the hangar design and we will be going out for bid on it. We will have to go back to the City once we know how much it is going to cost.

9. Update from Garver – by Adam White, Garver

There are two separate projects: 1) Site Development; and, 2) Hangar Construction.

The site development portion is partially funded through the ADA with airport matching funds. Construction is expected to start soon. The contracts were brought to the meeting for signatures. It is hoped to see activity within the next month. There will be a 75 calendar day construction time on the site-work portion.

The hangar construction part includes the hangar, the foundation, and the actual building. The project received \$700,000 from the City of Springdale in May. From that point, design began and a package was put together to get ready to Bid. Garver met with the Planning Dept. to talk about the facade and landscape requirements. An agreement was reached that there is no requirement to construct an upgraded facade or do additional landscaping for the project if we agree to a Bill of Assurance: a guarantee that after two years if another hangar is not constructed in front of the building, then we would be required to construct the façade and additional landscaping. There will be two years of leeway allowed. The Bill of Assurance does not require any money to be set aside at this time. It's just agreeing to pay that amount whenever the time comes. After that discussion with Planning, it will go to the Planning Commission this month and will be discussed at their meeting. Planning doesn't foresee any issues at the Commission meeting. Adam will be giving a report on that the next time we meet. It was the general understanding of the Commission that Chairman Neil Johnson was authorized to provide a Bill of Assurance. This past Sunday, (June 13) it was advertised in the newspaper and will run again on the 20th and we will open bids on July 13th on the hangar building.

Chairman Johnson asked how long the Commission would have to decide on the acceptance of the bid for the hangar. Adam said the bids would be good for 120 days to decide to accept or reject the bids. The State has put a 90 day requirement on the start time. Chairman Johnson said he has just received a bid on an iron building and it's almost three times what it would have been last year. That is something we are going to be faced with, also this week there was rumors that lumber prices have fallen 40% in the last month. The prices shouldn't stay up at record highs and the point is, before we sign the agreement to build the hangar on that bid, how much time would we have to re-negotiate or back out on it? Is there a provision in there that we can renegotiate the contract. Adam said that State statutes will allow us to negotiate with the low bidder for 120 days, the time that bid is good. At that point we could just forfeit the bid. We have 120 days to accept or negotiate it. Chairman Johnson pointed out during the 90 days and the 120 days, we could go ahead and get the slab laid and that would be considered the start of the building. Garver noted we are considering APAC getting the site-work started. Commissioner Johnson pointed out that would get us through the 90 days to negotiate the bid if we need to and still be within the time limit. The prices for materials can't stay up. Others are backing off paying the high prices until they level out. Adam said we are looking at a long procurement time for the building itself. We could slab in but we are hearing it could take four to six months just to get steel on a job site. Commissioner Johnson hopes that would work in our favor. Greg said we should have the bids by the next meeting, ready to review with the Commission and should know what it is going to cost and can continue this discussion then.

Taxiway Extension Project Update: This project is 100% funded through the FAA. It is in the design phase at the moment. Garver has been waiting for review comments from FAA about how to move forward. They have heard back that they are good with everything Garver is proposing. In the next month we are going to get to the final design. The final design will include lots of coordination with Springdale Water Utilities. Garver still expects to be able to have this project ready to go this year and ready for construction in 2022. There are no issues with that project.

10. OLD BUSINESS:

Commissioner Schoonover asked about the Hangar Waiting List. Laura said she gets one to two inquiries per week with 67 or 68 on the waiting list right now. Everywhere in this area is full except for a few storage units.

Chairman Johnson asked who has the plans for the building that Mann started that went bankrupt. James thought the Planning Department might have a set or the Building inspector's office. He pointed out that Mr. Mann has a lot of the pieces for the building at his home. We have none of the cross members or anything. Laura said there is the red-iron that's standing and more red-iron at the site and some is stored at Public Works. We've also heard Mr. Mann has a trailer load with the roof pieces at his house. Chairman Johnson said the steel is unsightly and we either need to take down what's there or finish the hangar. Commissioner Gardner thought it's not ours to finish yet. Chairman Johnson pointed out it is on Airport property and it was abandoned and (Mann) went bankrupt. He believes if a bankruptcy occurs, and there is material on the ground, it belongs to the Airport. He has had experience with this through the years in the construction business. We have not claimed damages, but we could. We've not taken it, he has abandoned it there. The City Attorney said yes, it belongs to the Airport. We would have to let him (City Attorney) sign off on things and advise us. We could be planning in that direction. Mann can't come get the slab. There's anchor bolts there and everything else. That's the way he have understood it. James said he would try to get a quote to finish it. Chairman Johnson said the sheeting can be bought anywhere. It's not affected as much as the red iron.

11. COMMISSION COMMENTS:

No additional comments.

The meeting was adjourned by Chairman Johnson.

Business concluded and meeting adjourned at 1:28 p.m.

Neil Johnson, CHAIRMAN

Beth Parnell, RECORDING SECRETARY

DATE OF APPROVAL